

## HUMAN SERVICES DEPARTMENT[441]

### Notice of Intended Action

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 75, “Conditions of Eligibility,” Iowa Administrative Code.

The proposed amendments provide the annual update of the premium levels for the Medicaid coverage group for employed people who are disabled (known as MEPD). The Deficit Reduction Act of 2005 limits premiums and other cost sharing for most Medicaid coverage groups to 5 percent of an individual or family’s income. Consistent with that limit, the Department proposes that all MEPD premiums be limited to less than 5 percent of income, leaving some of the 5 percent amount for other cost sharing.

Iowa Code section 249A.3(2)(a)(1) requires that “[t]he maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty guidelines shall be commensurate with the cost of state employees’ group health insurance in this state.” The average cost to the state of state employees’ health insurance for a single person is now \$660. Therefore, the maximum premium must be set at that amount.

Together, increasing the maximum premium to \$660 and limiting all premiums to less than 5 percent of income requires that most of the poverty level income increments and premium amounts be changed in order to maintain a sliding scale with a reasonable number of gradually increasing income and premium increments. Under the new schedule, some MEPD members will be required to pay a higher premium. However, all MEPD members assessed a premium will pay less than 5 percent of their household income in Medicaid cost sharing. (Only 5 percent of MEPD members have individual income higher than 200 percent of the federal poverty level. Currently, there are no MEPD members with individual income higher than 400 percent of the federal poverty level.)

These amendments also include a change to the address where premium payments are mailed. The Department is proposing to require that payments be mailed to a designated lock box for processing. Members will have the choice of payment with personal check or money order. Payment with cash will no longer be acceptable.

These amendments do not provide for waivers in specified situations. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

Any interested person may make written comments on the proposed amendments on or before May 10, 2011. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.3(2)(a)(1).

The following amendments are proposed.

ITEM 1. Amend subparagraph **75.1(39)“b”(3)** as follows:

(3) Premiums shall be assessed as follows:

IF THE INCOME OF THE APPLICANT IS ABOVE:	THE MONTHLY PREMIUM IS:
150% of Federal Poverty Level	<del>\$33</del> <u>\$34</u>
<del>180%</del> <u>165%</u> of Federal Poverty Level	<del>\$53</del> <u>\$44</u>
<del>220%</del> <u>180%</u> of Federal Poverty Level	<del>\$73</del> <u>\$54</u>
<del>250%</del> <u>200%</u> of Federal Poverty Level	<del>\$94</del> <u>\$65</u>
<del>280%</del> <u>225%</u> of Federal Poverty Level	<del>\$109</del> <u>\$75</u>
<del>310%</del> <u>250%</u> of Federal Poverty Level	<del>\$129</del> <u>\$86</u>
<del>340%</del> <u>300%</u> of Federal Poverty Level	<del>\$154</del> <u>\$106</u>
<del>370%</del> <u>350%</u> of Federal Poverty Level	<del>\$188</del> <u>\$127</u>
400% of Federal Poverty Level	<del>\$221</del> <u>\$148</u>
<del>430%</del> <u>450%</u> of Federal Poverty Level	<del>\$255</del> <u>\$169</u>
<del>460%</del> <u>550%</u> of Federal Poverty Level	<del>\$295</del> <u>\$209</u>
<del>510%</del> <u>650%</u> of Federal Poverty Level	<del>\$342</del> <u>\$250</u>
<del>590%</del> <u>750%</u> of Federal Poverty Level	<del>\$396</del> <u>\$292</u>
<del>680%</del> <u>850%</u> of Federal Poverty Level	<del>\$457</del> <u>\$335</u>
<del>775%</del> <u>1000%</u> of Federal Poverty Level	<del>\$524</del> <u>\$399</u>
<del>900%</del> <u>1150%</u> of Federal Poverty Level	<del>\$608</del> <u>\$469</u>
<u>1300%</u> of Federal Poverty Level	<u>\$560</u>
<u>1480%</u> of Federal Poverty Level	<u>\$660</u>

ITEM 2. Amend subparagraph **75.1(39)“b”(8)** as follows:

(8) Premiums may be submitted in the form of cash, money orders, or personal checks to the department at the following address: ~~Department of Human Services, Supply Unit A-Level, Room 77, Hoover State Office Building, 1305 East Walnut~~ Iowa Medicaid Enterprise, P.O. Box XXXXX, Des Moines, Iowa 50319.